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Report Highlights:

Saudi Arabia has worked on biotech draft standards for the last three years. However, in February 2009 Saudi decided to abandon its efforts to issue national biotech standards and opted to join hands with other members of the Gulf Cooperation Council (GCC) to promulgate GCC wide agricultural biotech standards under the auspices of the Gulf Standards Organization (GSO).

Section I. Executive Summary:

SECTION I. EXECUTIVE SUMMARY

Saudi Arabian Ministries of Agriculture and Commerce and Industry implemented biotech-labeling decrees on animal feed and processed foodstuffs in January 2004 and December 2001, respectively. The decrees require positive biotech labeling if a product contains more than 0.9 percent of

genetically engineered (GE) vegetable (plant) ingredients. GE grains such as corn and soybean meal are being imported from the U.S. and other suppliers. According to Saudi importers, U.S. high value food products declared biotech free have tested negative and companies whose products test negative will not be tested again for another six months. The Kingdom is currently reviewing both ministerial biotech-labeling decrees to establish a comprehensive biotech standard that would govern imports of all agricultural products.

Section II. Biotechnology Trade and Production:

In January 2004, the Saudi Arabian Ministry of Agriculture (MOA) banned imports of GE seeds, therefore no biotech crop is grown in the country. Both the MOA and the Saudi Ministry of Commerce and Industry (MOCI), respectively, allow imports of biotech grain and plant/vegetable based processed foodstuffs as long as they are labeled. Saudi Arabia is one of the richest countries in the gulf region and agricultural product importers do not face difficulties in obtaining hard currencies to cover the cost of imports.

Section IV. Biotechnology Policy:

In December 2001, MOCI implemented its biotech labeling decree for processed foodstuffs. The decree requires positive biotech labeling if a product contains genetically modified vegetable (plant) ingredients. In January 2004, the Saudi Ministry of Agriculture (MOA) implemented a comparable biotech-labeling requirement on animal feed, fruit and vegetables while banning imports of GE seeds.

The MOCI biotech labeling requirements can be summarized as follows:

A. Positive labeling: If a product contains one or more GE plant ingredient, the information should be clearly communicated to the consumer by labeling. A triangle should be drawn on the label with text that should read "Contains Genetically Modified Product (s). The Ministry will not accept a statement that says "This Product May Contain biotech Ingredients." Saudi Arabia does not permit imports of foodstuffs that contain GE animal products. According to the MOCI, local food producers must also abide by the biotech labeling requirements.

B. Bilingual labeling: The biotech statement must be clearly written in Arabic and English languages with ink color different from the main product tag.

C. Health certificate: Biotech products exported to Saudi Arabia must have been approved in the country of origin for human or animal consumption. Each shipment must be accompanied by a health certificate issued by a government agency stating that the GE ingredient used in the foodstuff is approved in the country of origin for human or animal consumption.

D. Real Time PCR Method: MOCI approved the Real Time PCR Method for GE testing and set 0.9 percent threshold. If the test results reveal more than 0.9 percent of GE ingredient, the product is either destroyed locally or re-exported to the country of origin. Products with less than 0.9 percent of GE content are exempted from further testing for six months. If still on the market after six months, these products must be tested and recertified. Presently, no GE-labeled retail food products are marketed in Saudi Arabia, but GE-labeled bulk commodities and products destined for institutional end users are imported and marketed.

E. Biotech health certificate: MOCI has agreed to accept health certificates issued by state's departments of agriculture for high value products instead of the previous requirement that the certificates be issued by a federal government agency such as USDA or FDA for U.S. products. MOCI has reiterated its refusal to consider any health certificate issued by exporting companies or other private organizations including notary public statements.

F. For U.S. grains: MOA has accepted a one-time biotech grains certification statement from the Grain Inspection, Packers and Stockyards Administration (GIPSA) submitted to the Ministry in 2003. The statement certified that the exported transgenic grains are the same as those consumed in the United States. The approved statement eliminates the need for a shipment-by-shipment positive biotech certification for corn and soybean meal exported to the Kingdom. MOA still requires each shipment of biotech fruits and vegetables to be labeled and accompanied by a biotech health certificate. In 2004, MOA banned imports of all types of biotech seeds.

G. In February 2005, the Saudi Government announced the establishment of a national high-level biotech committee consisting of four ministries, the Saudi Arabian Standard Organization (SASO), universities and the private sector to conduct a comprehensive policy review of current biotech labeling requirements based on two ministerial decrees. The committee distributed its first draft standard for public comment in early May 2005 and received comments in August 2005. After taking into consideration comments received from all interested parties including USDA. In early 2006, SASO distributed another set of draft standards for public comment. The set of draft standards are as follows:

- SASO Draft No 3002 /2006 “General Requirements for Genetically Modified Processed Food and Feed”
- SASO Draft No 3195 /2006 “General Requirements for Genetically Modified unprocessed Agricultural Products”
- SASO Draft No 3196 /2006 “General Requirements for Risk Assessment and Traceability”

By the end of March 2006, comments on the above three draft standards were delivered to SASO.

In February 2008, SASO decided to abandon its efforts to issue national biotech standards and opted to join hands with other members of the GCC (U.A.E., Oman, Qatar, Kuwait and Bahrain) to work on promulgating GCC wide agricultural biotech standards under the auspices of the Gulf Standards Organization (GSO). In January 2009, the GSO established a 27 member biotech subcommittee chaired by U.A.E and converted the three SASO biotech draft standards to GSO draft standards. The subcommittee is expected to review the three draft standards in November 2009.

Section V. Marketing:

Both MOA and MOCI allow imports of bulk and processed biotech agricultural products, however they must be labeled if biotech content is more than 0.9 percent in a given product. Biotech grains such as corn and soybean meal are imported from the U.S. and other suppliers. Saudi quality control laboratories at the port of entry take food samples on a random basis for biotech testing. According to Saudi companies that import foodstuffs from the U.S., test results have been satisfactory. Food products declared biotech free have tested negative, and companies whose products test negative will not be tested again for another 6 months.

Despite the passage of more than five years since MOCI implemented its biotech-labeling requirement, no biotech labeled consumer oriented foodstuffs are seen in any supermarket in the Kingdom. Major importers who import under their own brand names or who serve as exclusive agents for well-known international brands, have not imported biotech labeled products. These importers are concerned that importing products with biotech ingredients could have a negative impact on the image of their products lines resulting in lost market share. They feel that Saudi consumers have limited knowledge of biotech foodstuffs and may react emotionally. However, some fast food restaurants import limited quantities of biotech labeled processed foods to prepare meals. Restaurants are not required to label prepared foods for biotech content.

Over the past few years, several articles on biotechnology were published in local newspapers which concentrated solely on its alleged negative impact on human health, as well as on the environment. In addition, articles were published in European newspapers, mostly, written by Green Peace and other anti-agricultural biotech groups, were, also, re-published in local newspapers. No local government agencies or agricultural research centers have initiated a favorable media campaign to give unbiased information on biotech food to the public. MOCI has made it unequivocally clear on several occasions that the primary reasons for requiring labeling of biotech foods are the consumers' right to know. Consequently, importers have been asking their U.S. suppliers to put the biotech free symbol on product labels to match initiatives taken by many European suppliers. Shoppers in local supermarkets can now find many American and European foodstuffs with biotech free labels.

Section VI. Capacity Building and Outreach:

GSO Biotech subcommittee Educational Mission to the United States

ATO Riyadh has proposed a trip to the U.S. for members of the newly established GSO biotech

subcommittee for a weeklong educational trip when funding is available. During the visit, the subcommittee members will meet with USG agricultural biotech regulatory officials and visit research facilities for exposure to updated agricultural biotech research related to food safety. Committee members will also meet officials from USDA/FAS, EPA, and FDA. The U.S. officials will provide information on the development of agricultural biotechnology as well as the evolution and current status of USG regulations. In addition, the delegations will meet with a panel of private sector representatives from the American Soybean Association, Groceries Manufacturers Associations, National Food Processors of America, and the U.S. Grains Council. The cooperators will provide the GSO delegates with the U.S. industry perspectives on the marketing of biotech products. Delegates will also visit U.S. biotech feed producers to view agricultural labs, sites of field trials, nearby corn and soybean farms, as well as a grain elevator.

Past Capacity Building Activities

GCC Food Safety Committee Trip to the United States

In November 2009, the GCC biotech subcommittee, of which Saudi Arabia is a key member, will review the three draft biotechnology labeling standards submitted by Saudi Arabia in 2008. The committee will consider two options: (1) send the draft standards to WTO without making any changes to seek comments from interested member countries or (2) study the draft standards further before releasing for public comments.

ATO Riyadh will continue to actively be engaged with GSO on biotechnology regulatory and labeling issues. In June 2008, ATO Riyadh helped recruit several high level GCC food safety officials to visit the United States for a series of biotechnology meetings and informational exchanges with regulatory officials and private industry. In October 2008, ATO Riyadh and GSO organized the first joint three-day biotech seminar in Dubai, U.A.E. stressing the importance of science-based protocols to assess risk for agricultural biotechnology. While USDA provided six biotech experts to speak and pay for their travel costs, GSO paid for costs related to organizing the seminar. Nearly, 100 Gulf food safety and standard officials attended the seminar. The conference created a forum where U.S. and international views on various policy aspects of agricultural biotechnology were heard and discussed. The seminar will assist the GSO biotech committee in reviewing its biotech draft standards and issuing science-based biotech standards which will govern the imports of agricultural products to the six GCC member countries.

Capacity Building Activities in Saudi Arabia

MOCI convened an international conference on agricultural biotechnology in Riyadh February 7-8, 2005. The objective of the conference was to create a forum where national and international views on the various policy aspects of agricultural biotechnology could be heard and discussed to assist the Kingdom in reviewing its biotech label requirements and issue a comprehensive biotech standard that would govern imports of agricultural products.

Several Saudi Arabian food safety experts, as well as invited foreign agricultural biotech specialists from the United States, Australia, Canada, Argentina, Saudi Arabia, Italy, FAO and UNESCO, delivered diverging views on import policy considerations for products derived through agricultural

biotechnology. USDA/FAS funded three U.S. experts to speak at the conference. The discussions primarily focused on four topics: 1) national and international laws on agricultural biotechnology; 2) advantages and disadvantages of agricultural biotechnology; 3) labeling requirements; and 4) testing methods. The event was an opportunity for Saudi regulators to exchange views on import policy considerations for foods derived through agricultural biotechnology and the need for transparent and science-based decisions.

In 2003 and 2001, ATO Riyadh assisted the U.S. Feed Grains Council (USFGC) in recruiting two groups of Saudi government food safety officials for weeklong two biotech educational missions to the U.S. to meet with USG agricultural biotech regulatory officials and research facilities to provide educational opportunities on the safety of biotech foods. During the two trips, the Saudi officials met in Washington with officials from USDA/FAS, EPA, FDA and the State Department. The two groups were given an overview of the development of biotechnology as well as the evolution and current status of USG regulations.

In addition to meeting the USG agencies, the delegations participated in a panel consisted of private sector representatives from the American Soybean Association, Groceries Manufacturers of America, National Food Processors of America and the U.S. Grains Council. The cooperators provided the visiting delegates with the U.S. industry perspectives on the marketing of biotech products. The Saudi delegations also visited the largest U.S. seed producer, Du-pont/Pioneer in Des Moines, Iowa, the company's agricultural labs, sites of field trials, nearby corn and soybean farms, as well as a grain elevator.

Regionally, senior Saudi food safety officials were sponsored under section 108 and by USFGC to attend several biotechnology risk assessments workshops and seminars in Dubai, Cairo and Tunis over the past few years. Locally, ATO Riyadh assisted the USFGC to organize several biotech seminars in Riyadh and Jeddah from 2003 to 2001. The domestic seminars focused mainly on providing latest information on biotech corn to local feed importers.

Section VII. Author Defined: REFERENCE MATERIAL

I. Following is a sample certificate issued by a state department of agriculture and accepted by Saudi port authorities:

Certificate of Health and Free Sale, Sanitary and Purity

"I, (name of state official), do hereby certify that (name of U.S. company and address) operates a food manufacturing plant which is inspected at regular intervals by full-time inspectors employed by the (name of state) Department of Agriculture. The facility's equipment and raw materials, as well as the processing and packaging procedure, meets all sanitary requirements and the operation is in good standing in every respect. We certify the following listing of products as freely, and without qualification, sold and used in the United States of America (USA).

This product may contain genetically modified organisms.

This certificate shall be good for one year from the date of issue.

This certificate is not to be construed as either an expression of implied warranty of any products of said company, nor shall it be used for propaganda, advertising, or other simple purposes.

This certificate shall not be altered after the issue date, or it will be deemed void by the (name of state) Department of Agriculture and the undersigned.

(The certificate should be issued with the seal of the State Department of Agriculture, notarized, and signed by the appropriate State Department of Agriculture official)."

II. Below is GIPSA's one-time grains certification statement accepted by the Saudi Ministry of Agriculture in lieu of a shipment-by-shipment biotech certification requirement.

Crop	Statement
Soybeans	We hereby certify that the soybeans may come from genetically modified soybeans of the type Monsanto Roundup Ready Soybeans that have been approved for import into the EEC under directive 96/281/ EC. The soybeans may come from genetically modified soybeans of the type Monsanto Roundup Ready Soybeans. Transgenic soybeans commercially produced in the United States have completed the necessary review under the U.S. regulatory process for determining the safety of new agricultural biotechnology products. This well coordinated regulatory process sets U.S. standards for human, animal, and plant health, and environmental safety. The transgenic soybeans used for domestic purposes are the same as those used for export.
Corn	Transgenic corn commercially produced in the United States has completed the necessary review under the U.S. regulatory process for determining the safety of new agricultural biotechnology products. This well coordinated regulatory process sets U.S. standards for human, animal, and plant health, and environmental safety. The transgenic corn used for domestic purposes is the same as corn used for export.
Testing Parameters	The sample was tested using a method equal to or exceeding the performance of the A's GIPSA testing recommendations, as set out in Directive 9181.1.